



HARIOM PIPE INDUSTRIES LIMITED

Investor Presentation June 2024

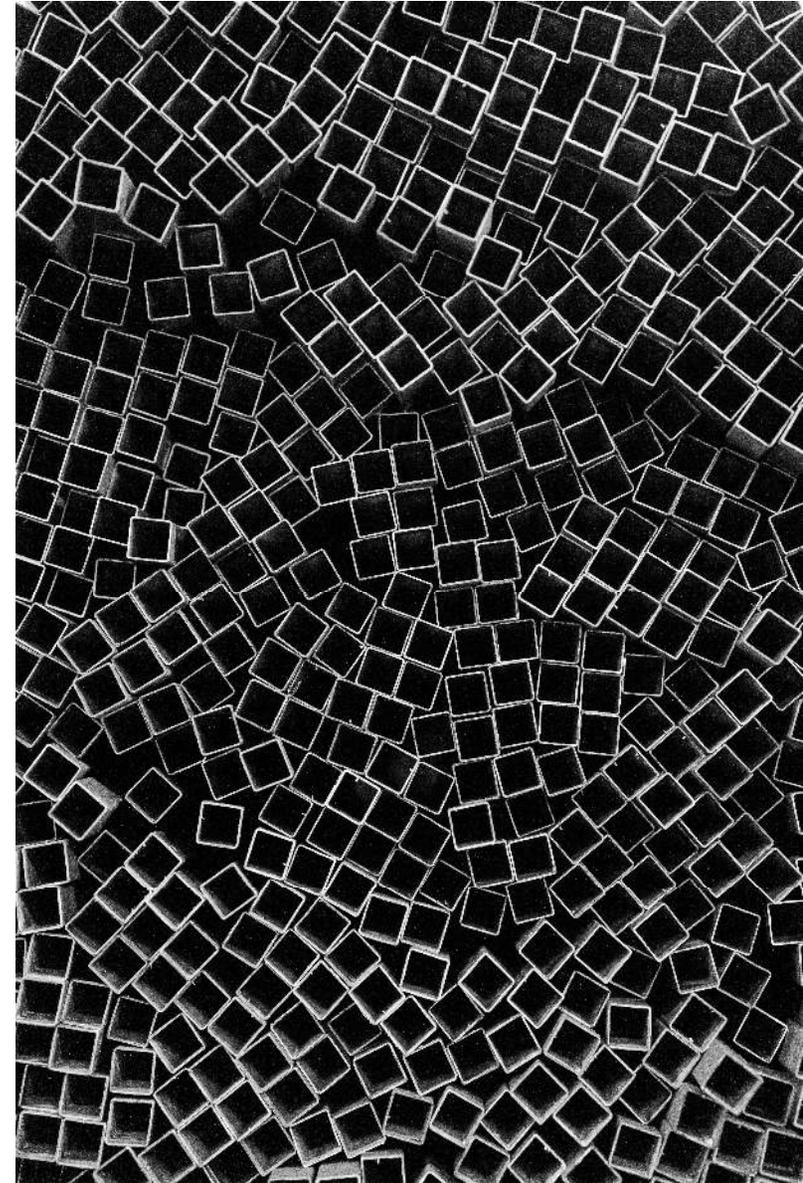


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COMPANY OVERVIEW



Hariom Pipe Industries Limited

Prominent Manufacturer: Recognized for high-quality products, innovation, sustainability, and customer satisfaction. Established in 2007, with substantial growth.

Corporate/Registered office: Hyderabad, Telangana.

Manufacturing Capabilities

State-of-the-Art Facilities: Equipped with the latest technology and machinery.

Capacity: Over 7,01,232 MTPA.

Commitment to Timely Delivery and Sustainability

Boasting a strong South India market presence and reliable distribution network, ensures timely customer deliveries. Committed to sustainability, it undertakes energy efficiency, waste management, and community engagement initiatives.

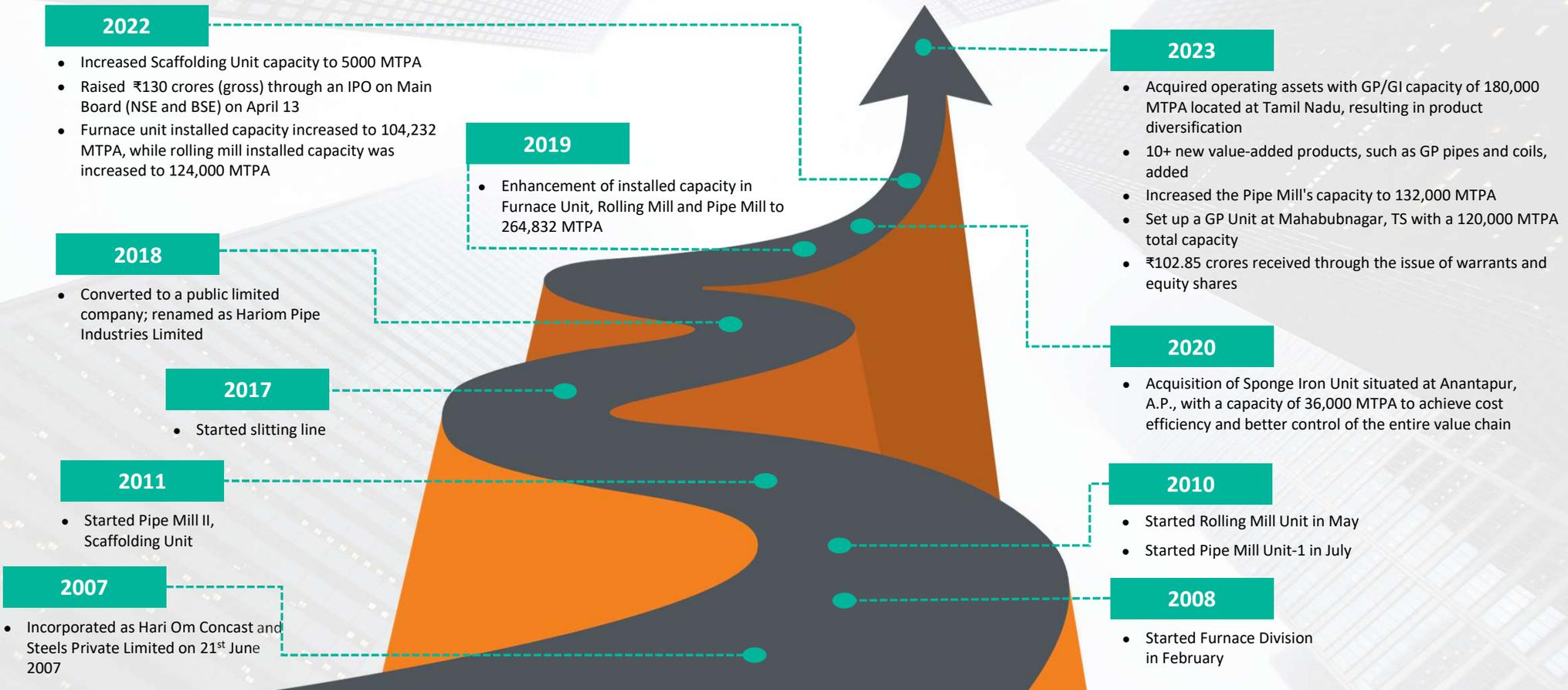


VISION, MISSION AND GOAL



Key Milestones

Progressively adding capacity of value-added products



PRODUCT BASKET



Hariom Pipe Industries Limited offers a wide range of steel pipes and tubes, catering to various sectors including construction, infrastructure, Furniture, Automobiles, Engineering, Pre-fabrication, agriculture, and industrial applications. The product portfolio includes:

Sponge iron

MS Billets

HR Strips

MS Tubes

Scaffolding

HRPO (Hot Rolled Pickled and Oiled) Pipe/Coil

Cold Rolled Pipes/Coils

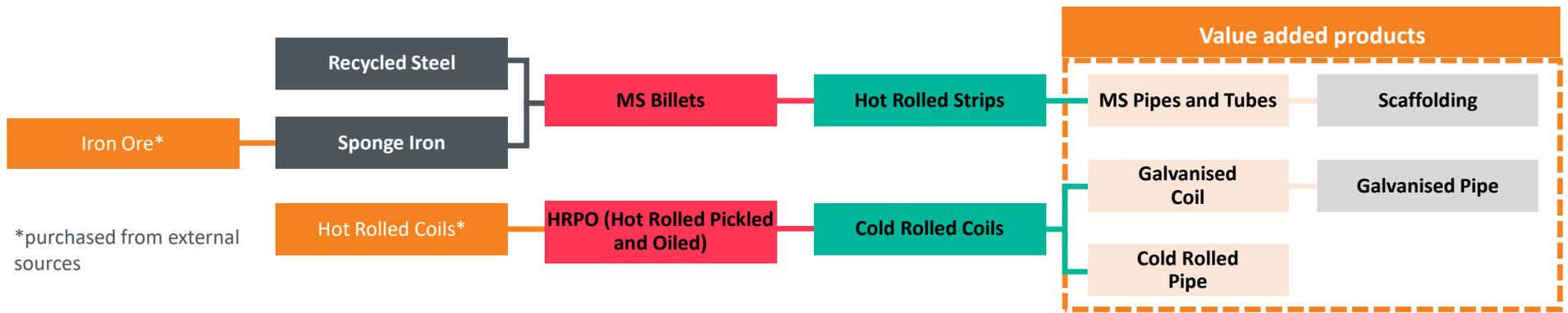
Galvanized Pipes/Coils

GI Pipes



The company expanded its product portfolio to include Galvanized Pipes/Coils (GP Pipes/Coils), GI Pipes, and Cold Rolled Pipes/Coils (CR Pipes/Coils). With its dominant presence in the MS Pipe market across South India, this addition enables dealers to offer a comprehensive range of products under one roof

PRODUCTION PROCESS:



Unit I, an Integrated Steel Plant located in Mahabubnagar District, Telangana excels in backward integration to produce premium-quality pipes using recycled steel and sponge iron.

Unit III, the Galvanising Unit in Perundurai, Tamil Nadu, specializes in manufacturing high-quality Galvanized Pipes/Coils, GI Pipes, as well as Cold roll pipes and coils and CTL Sheets.

Unit II, the Sponge Division situated in Ananthapur, Andhra Pradesh, strategically supports Unit I by providing essential raw materials i.e. sponge iron.

Unit IV, another Galvanising Unit in Mahabubnagar District, Telangana, stands out for its advanced manufacturing capabilities, including a CR Tandem Mill, enabling the production of low-thickness Galvanized Pipes/Coils and Cold roll pipes and coils.

These units collectively form a robust industrial ecosystem, leveraging specialized capabilities and strategic locations to cater to diverse market demands efficiently.

MANUFACTURING

Modern facilities driving efficient and sustainable production



Location	Products and Installed Capacity			
	Product	Capacity in FY22, MTPA	Capacity in FY23, MTPA	Capacity in FY24, MTPA
Mahabubnagar, Telangana Integrated Steel Plant Value Products Unit	M.S. Billets	95,832	1,04,232	1,04,232
	HR Strips	84,000	1,24,000	1,24,000
	MS Tubes	84,000	84,000	1,32,000
	Galvanised Pipes	-	-	1,20,000
	Scaffolding	1,000	5,000	5,000
Anantapur, Andhra Pradesh (near Bellary) Sponge Iron Unit	Sponge Iron	36,000	36,000	36,000
Perundurai, Erode, Tamil Nadu GP/GI plant A newly acquired plant through an Asset Transfer Agreement for a cash consideration of ₹55 Crore	Galvanised Pipes & Coils	-	1,80,000	1,80,000
TOTAL		3,00,832	5,33,232	7,01,232

PRODUCTION PROCESS:

Key Leverages

Sustainable Steel Recycling: Annually recycling 30 kilotons of steel scrap, showcasing our commitment to sustainability and resource efficiency.

India's First Solar-Powered Pipe Unit: India's first pipe unit fully powered by solar energy, leading in renewable energy adoption and setting new benchmarks for industrial practices.

Expansion and Innovation at Mahbubnagar Plant: A state-of-the-art CR Tandem mill, producing high-quality pipes with thicknesses as low as 0.4mm. This facility supports our expansion into new markets, reinforcing our technological excellence and industry leadership.



Lead in value-added products

Diverse Applications of Value-Added Steel Products



Scaffolding



Shelving and Racking Systems



Solar Structure



Electrical Conduits



Pergolas



Auto components



Lead in value-added products

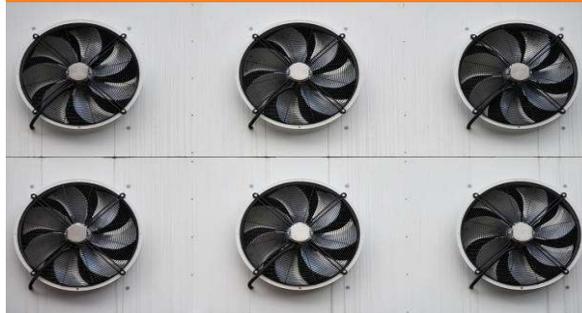
Diverse Applications of Value-Added Steel Products



Ceiling fans Pipes



AC Duct fan



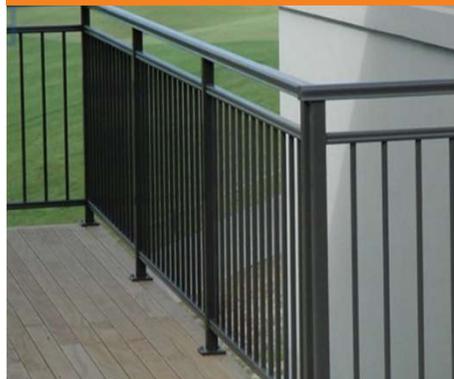
Bus body



Staircase



Fencing



Crash guards



Green House Structures



SOUTHERN AND WESTERN DOMINANCE, EASTERN ASCENT



Building on our strong foundation in Southern India, we have taken significant initiatives to extend our footprint and reach to new territories. Seizing the potential in the organized sector nationwide, our focus has now expanded to encompass other regions of Western, Eastern India, and Union Territories

1500+

Point of Sales

800+

Dealers

28%

Contribution from Top
10 Dealers in FY 24



Management

Highly focused management driven towards value creation

Key Management



Rupesh Kumar Gupta

Managing Director

Mr Rupesh Gupta has led the company since its inception and has charted its growth through strategic asset management and prudent financial management.



Shailesh Gupta

Whole Time Director

Mr Shailesh Gupta is the co-founder and has played a key role in establishing sales and marketing network of the Company.



- ✓ Over 50+ years of experience in steel pipes industry
- ✓ Young management team
- ✓ A single-minded focus on business
- ✓ Progressive approach to business management

Recent Financial Performance



Key Financial Indicators

Significant Improvement in Operating Cash Flow: The company has achieved remarkable progress in its FY 24 financials, particularly in Operating Cash Flow. Despite challenges in FY 23 with a negative operating cash flow of Rs. (100) Crore, mainly due to increased Inventory and Receivables, the company made a significant turnaround. Through strategic initiatives like the Galvanized Pipe Project in Mahbubnagar and efficient inventory management, they achieved a positive operating cash flow of Rs. 4.96 crore in FY 24, marking a 105% growth. This positive momentum reflects Hariom's commitment to financial stability and growth.

Enhanced ROCE: The company made remarkable progress in its Return on Capital Employed (ROCE) during the previous financial year, increasing it from 14.60% to 18.80%. This improvement translated to an absolute figure of Rs. 36.72 crore, marking a 50% increase in earnings. Notably, despite a modest 17% increase in capital employed, the ROCE surged significantly, showcasing effective utilization of resources and enhanced profitability.

Proactive Reduction in Debtor Holding Period: In the financial year 24, the company has successfully decreased its receivables holding period from 49 days to 39 days. This achievement is attributed to proactive measures such as channel finance and efficient collection methods. As a result, the company has reduced its debtor holding level by 10 days, leading to a substantial improvement in operating cash flow by Rs. 3,159.42 Lakhs.

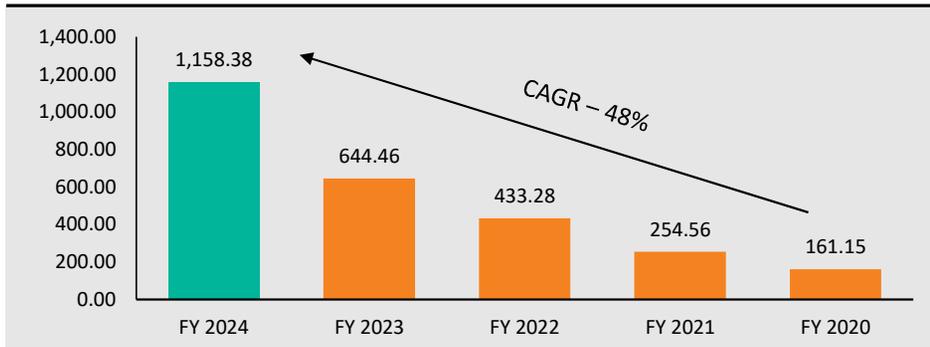
Historical Glance



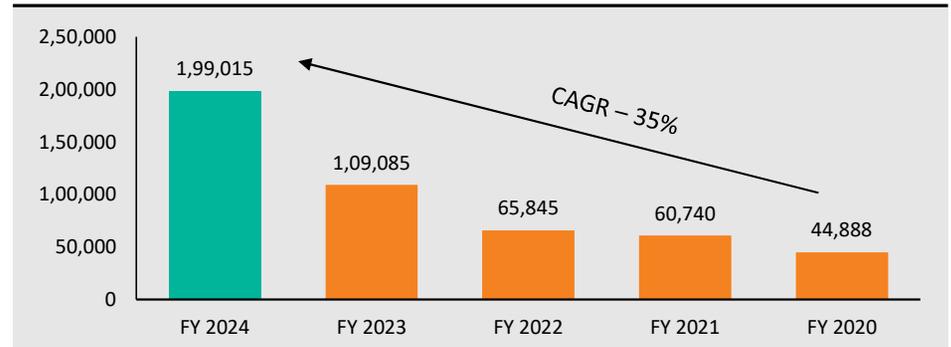
Key Financial Indicators

FY 2024

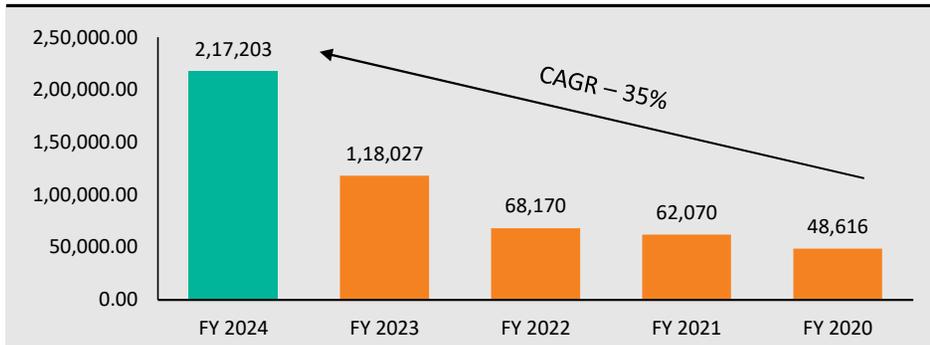
Total Income



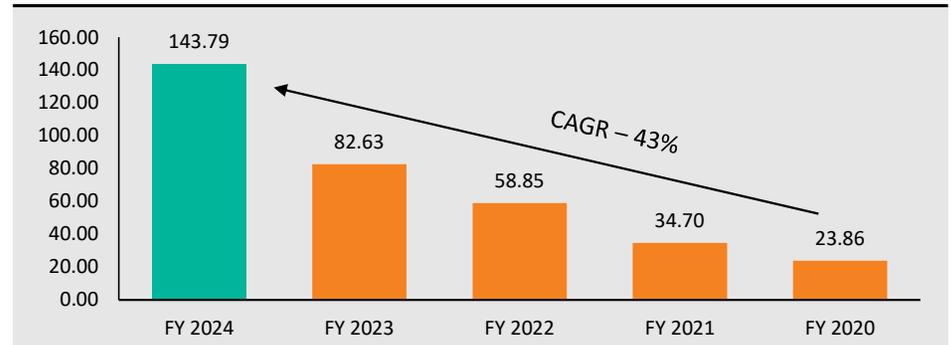
Sales Qty (in MT)



Net Production Qty (in MT)



EBIDTA



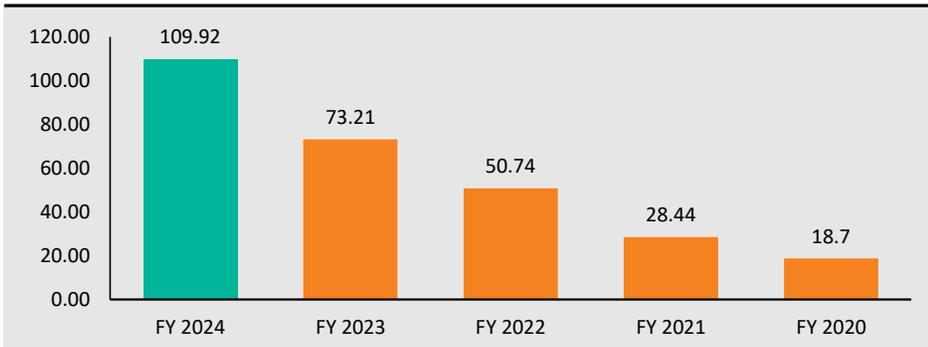
Historical Glance



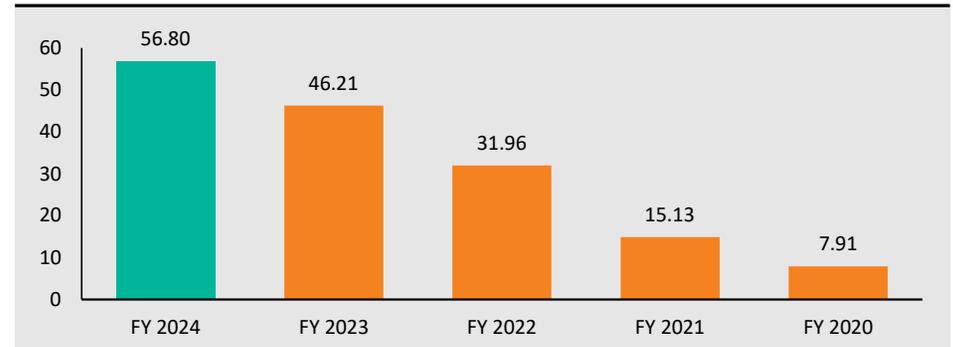
Key Financial Indicators

FY 2024

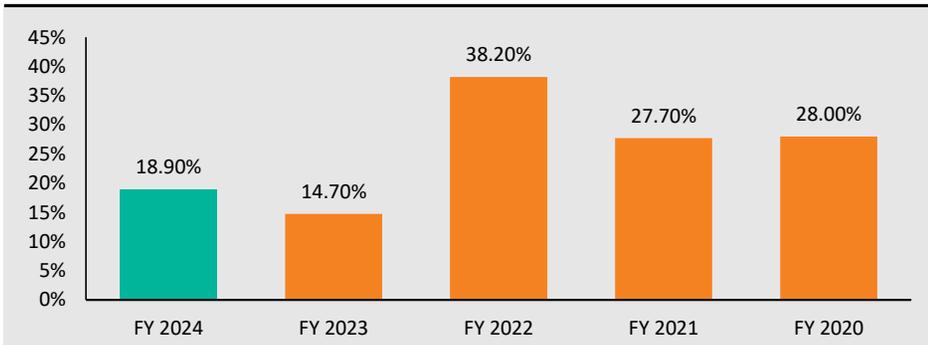
Operating Profit



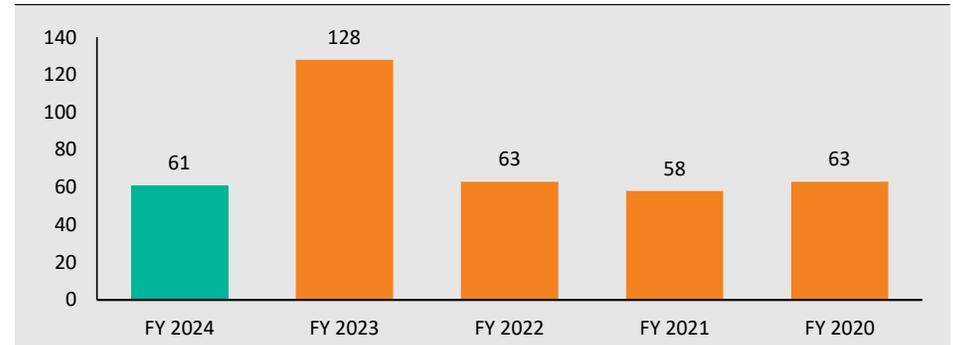
Profit After Tax (PAT)



ROCE



Working Capital Holding Days to Sales



Historical Glance

Key Financial Indicators



Rs. In Crore

Particulars	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	CAGR
Total Income	1,158.38	644.46	433.28	254.82	161.19	48%
Sales Qty (in MT)	1,99,015	1,09,085	65,845	60,740	44,888	35%
Value Added Product	1,74,666	81,611	43,310	27,081	23,908	49%
Other Product	24,349	27,474	22,535	33,659	20,980	
Net Production Qty (in MT)	217,203	118,027	68,170	62,070	48,616	35%
EBIDTA	143.79	82.63	58.85	34.70	23.86	43%
Operating Profit	109.92	73.21	50.74	28.44	18.70	
Profit Before Tax (PBT)	77.36	62.83	42.54	21.20	11.33	47%
Profit After Tax (PAT)	56.80	46.21	31.96	15.13	7.91	47%
EPS	20.34	18.30	18.83	10.64	5.56	
Total Net worth	464.12	375.17	101.02	70.79	48.30	
Total Debt	369.36	294.19	80.97	68.70	51.54	
Debt to Equity	0.80	0.78	0.80	0.97	1.07	
ROCE	18.9%	14.7%	38.2%	27.7%	28.0%	
ROE	12.2%	12.3%	31.6%	21.4%	16.4%	
Working capital to Sales (Days)	61	128	63	58	63	



Thank You



Amitabha Bhattacharya



Hariom Pipe Industries Limited



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